

SECOND REGULAR SESSION

SENATE BILL NO. 984

92ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR FOSTER.

Pre-filed January 5, 2004, and ordered printed.

TERRY L. SPIELER, Secretary.

3553S.011

AN ACT

To amend chapter 430, RSMo, by adding thereto three new sections relating to liens for agricultural production.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 430, RSMo, is amended by adding thereto three new sections, to be known as sections 430.450, 430.455, and 430.460, to read as follows:

430.450. For the purposes of this section the following terms shall mean:

(1) "Agricultural production input", crop production inputs and livestock production inputs;

(2) "Agricultural production lien", a lien for the unpaid retail cost of agricultural input;

(3) "Crop production input", agricultural chemicals, seeds, petroleum products, custom application of agricultural chemicals and seeds and labor furnished in planting, cultivating, growing, producing, harvesting, drying, and storing crops or crop products;

(4) "Feed", commercial feeds, feed ingredients, mineral feeds, drugs, animal health products, supplements, customer-formula feeds or other products, including grain, that are used for feeding livestock;

(5) "Lender", any person in the business of lending money identified in the lien-notification statement;

(6) "Livestock production input", feed furnished in raising livestock;

(7) "Petroleum product", motor fuels and special fuels that are used in the production and drying of crops and production of livestock, including motor-vehicle fuels, special fuels and liquefied petroleum gas, and other petroleum products such as alcohol fuels, propane, lubes, and oils;

(8) "Proceeds", proceeds as defined in section 400.9-306, RSMo, and amendments thereto, and includes farm products, inventory, warehouse receipts,

and documents of title as defined in the uniform commercial code;

(9) "Producer", any individual, partnership, limited liability company, or corporation engaged in agricultural production;

(10) "Seed", agricultural seeds that are used to produce crops;

(11) "Supplier", any person who furnishes agricultural production inputs.

430.455. 1. Any supplier furnishing a crop production input or petroleum product to a producer shall have a lien for the retail cost of the cost production input or petroleum product, including labor furnished. The lien shall attach to all crops, and proceeds thereof, which are produced upon the land to which the crop production input was furnished or applied, or produced using the petroleum product furnished, for a period of sixteen months following the date of perfection of the lien pursuant to subsection 3 of this section. However, the lien shall not attach to that portion of the crops of a producer who has paid all amounts due from the producer for the retail cost, including labor, of the crop production input or petroleum product provided.

2. Any supplier furnishing feed to a producer shall have a lien for the unpaid amount of the retail cost of the feed, including labor. The lien shall attach to all livestock consuming the feed. However, the lien shall not attach to that portion of the livestock of a producer who has paid all amounts due from the producer for the retail cost, including labor, of the feed.

3. The lien shall be perfected by filing with the Missouri secretary of state a uniform commercial code financing statement, at the same fee as other uniform commercial code financing statements, within thirty days of the last agricultural production input being supplied by the supplier to the agricultural producer, and containing the following:

- (1) Supplier's name and address in the space for "secured party";
- (2) Agricultural producer's name and address in the space for the "debtor";
- (3) Description of the property against which the lien is asserted in the space for "collateral".

430.460. 1. A supplier may notify a lender of a lien by delivery of a lien-notification statement addressed to the lender. Delivery of the statement shall be by certified mail or another method evidencing date of receipt.

2. The lien-notification statement must be signed by the producer and state the following:

- (1) Name and address of the lender;
- (2) Name and address of the supplier claiming the lien;
- (3) Date or anticipated date or dates of furnishing agricultural production input, a description of the input, and the retail cost, or anticipated retail costs of

the agricultural production input;

(4) Name and residential address of the producer;

(5) A statement that the products and proceeds of the crops or livestock are covered by the lien.

3. The lien shall have priority over a security interest of a lender only if perfected and if the supplier notifies the lender of a the supplier's lien as provided in subsection 2 of this section.

4. Between the holders of more than one lien, the order of priority shall be determined by a date of perfection, with the earlier perfection date having priority over a later perfection date.

5. The holder of a lien may enforce the lien in the manner provided in sections 400.9-501 to 400.9-504, RSMo, inclusive, and amendments thereto. In enforcing the lien pursuant to such statutes, the lienholder shall be considered the secured party, the producer shall be considered the debtor, and each shall have the respective rights and duties of a secured party and debtor. The goods subject to the lien shall be considered as collateral. If a right or duty pursuant to the provisions of sections 430.450 to 430.460 is contingent upon the existence or waiver of such right or duty by express language in a security agreement, the right or duty shall be deemed not to exist.

Bill

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